



# STARTUP SELLING

TALKING SALES with Scott Sambucci

by SALESQUALIA

Episode 60  
Making Sales the Priority & The Goldilocks Rule  
– Designing Your Selling Systems: An Interview  
with Paul Rush

## Startup Selling Podcast Episode 60

On this episode of the Startup Selling Podcast I spoke with Paul Rush, founder of Substantial – a digital design agency based in Seattle, Washington.

Substantial is a software product development company that help clients bring new software product into the market. Paul has sold huge projects and have worked with large companies such as Amazon, T-Mobile, Google, Mercedes Benz, ADO, and many more.

As the company founder, Paul has always been the lead salesperson and responsible for bringing in these companies as clients. And that's exactly why I had Paul on the show...

Some of the topics we discussed were:

- The three types of company founders when it comes to sales and having a selling mindset.
- Why sales should be the number one priority for every company's growth.
- The systems and frameworks Paul uses to ensure that sales is the priority for him every day.
- The Goldilocks Rule for challenging yourself at the right level to make sure that your work is neither too easy or too difficult when it comes to selling.
- The importance of curiosity in the sales process.

I hope you find something valuable here.

Check it out and let me know what you learned and what kind of questions it brought up for you so we can start our own discussion!

## Startup Selling Podcast Episode 60

- Scott Sambucci: (Silence) Hey Paul, welcome to the Startup Selling Show. How are you today?
- Paul Rush: I'm doing great. Thanks for having me, man.
- Scott Sambucci: Yeah, no, it's really good to have you. I'm glad that Jonathan, our mutual friend put us in touch. One of the things that I really like to do whenever we're kind of kicking off the conversation is just zero straight from you. Your name obviously is Paul Rush and you're the founder at Substantial, which is a digital agency based in Seattle. And I kind of previewed the listeners a little bit about what you do but, I always love to hear straight from the horses mouth so to speak. When people ask you like, "Hey, what do you do and what is substantial do?" How do you described that people?
- Paul Rush: Yeah. So, covering what Substantial does. Substantial is a company I started about 12 years ago. It's a software product development company, so we help our clients bring new software products into market. And what a software product is for us, is anything that has a user interface that people use on a regular basis or an ongoing basis, they have a relationship with. Behind the hood or under the hood that is basically software development and design services. And we integrate those two very tightly because we feel the best products in the world have a great dialogue between design and technology. That's what you'll notice.
- Paul Rush: I think when you see really successful technology products like, so a lot of Apple products and things like Airbnb and Next, the technology and design both get out of the way to help serve the real purpose and serve the users. And that's our philosophy for bringing new products to market as we want design and technology to work together seamlessly. And, we worked for a really wide variety of companies. Everything from large Fortune 500 companies like Citibank, Mercedes, to lots of funded startups and startups that have done quite well. Lots of Silicon Valley, LA, Seattle, New York companies, and it's a lot of fun. We get the sort of pleasure of being able to go from nothing to something launched and people using it on a regular basis. We've launched lots and lots of products, and lots of formats, mobile web, and Internet of things, devices. So it's great company.
- Scott Sambucci: That's great. And there's lots of want to dig into, especially because one of the things you mentioned is that you started the company 12 years ago. And, the topic that you and I were talking quite a bit about in terms of prep here was, how as a founder of a company, you really are always a sales person. And, I want to dig into that a bit more in just a couple of minutes. Before you do that though, there's two questions I wanted to ask you. Maybe a little bit off to the side you just mentioned in terms of this idea of dialogue between design and technology. And It was... to me, it was a word that really peaked my interest. This idea of dialogue. And I'm wondering if you chose that word on purpose, is

that the way you think about? How do you... when you use that term dialogue, why exactly that choice of?

Paul Rush: No, not quite choose it on purpose, but it definitely is something that I say a lot. It's, I think when people think about design and technology, they think about two separate disciplines. And that's the way that companies used to be structured. Product teams used to be structured with this sort of like wall where, design would create a spec or some kind of templates for development or, some other engineering party to go build to the SPEC. And, the modern thinking has progressed to the point where it's really a conversation as peers, working towards solving problems that users are facing as opposed to one group talking to another group through some mediated interface. Some software project management tool or something like that.

Paul Rush: It's really, the best stuff comes from having a great interaction or dialogue as I put earlier between these two parties. And, I think that actually works pretty well in companies in general. If you're thinking about marketing and sales, the best companies I think have a great dialogue between those two groups as well. Where they're really helping each other perform well because they realize they're part of the same team which is serving a bigger goal. But, for us being product creators, that's the thing we think about.

Scott Sambucci: Yeah, I think that it's obviously, as soon as that there's conversation, right, it's interactive, and there is interaction. It's not thrown off the wall. And, I think the point of, I just think about like the way that softwares looks now, and over lets say the five years versus the way software used to look. If you're looking at an old, sort of windows machine from the 90's, like, "Wow, like I can't believe we actually used to find that stuff to be modern". And now you look at how intuitive many software profits are. And I've seen most being web based and even mobile based that, that only comes through this consideration and evolution that that comes through dialogue and through conversation are... I usually really like that word. I might steal it when I'm a [crosstalk 00:05:22].

Paul Rush: Yeah, please.

Scott Sambucci: The other question I wanted to quickly ask is, you're based in Seattle and I know you've worked with companies and all over the country, all over world. You mentioned LA and Silicon Valley. How do you describe the vibe of this sort of tech scene in Seattle as you compare it to Silicon Valley or, Austin or, LA or, Portland or some of the other areas? Do you feel like there's a distinct feel to the Seattle vibe as compared to the others?

Paul Rush: Yeah. Well, I mean this is a topic that I could talk for a long time because I think about these things a lot. And, it's very interesting for us when you're hiring people, like what kind of culture are you hiring from? And as you think about

international level, that's super interesting. I've had the sort of pleasure of living in a multiple of these cities, at different times and overlapping. So I've been in San Francisco and Seattle which I prefer for the last 15 years. And then I've also lived in New York. So you get to see the difference in the culture in these places. And there are large differences. Seattle is, this interesting ecosystem of technology companies that has a really unusual characteristic because, we're one and only places that has companies the same size as Silicon Valley. On the top end.

Paul Rush: So, Amazon and Microsoft are the two juggernaut company's super influential in the space. There's other, there's other big companies here as well. Boeing, Starbucks, Costco. And when you think about New York, it's hard to find companies that are technology companies that are the same size. You're at Los Angeles where you know, the biggest thing it like snap or trying to give another one, but they're not, it's not even close to the size of what Amazon is. And the influence that it has on technology. So, that's a positive thing, It draws talent and it's great. But, the problem is Silicon Valley has done such a great job of building this ecosystem that has scale at every level. So there's tons of small companies, there's tons of small midsize companies, tons of mid companies, mid, large, and then very large. And Seattle has this dominant culture of, first it was just Microsoft.

Paul Rush: That I think sucked all the talent into it. And so you don't have as much talent in between. And, that makes it, I think, a little harder for people to feel supported by the ecosystem as they're going through getting funding, and growing their businesses. And, it really changes the company because that sort of corporate culture to feel like a bigger company town. And the people you're hiring often are people with big company experience, which can be difficult if you're building a small startup. To have people know how to just hit the ground running. Not need a lot of resources or infrastructure for support. So, it is very interesting to think of how different you think that if you go to New York or, London because they're so big and they have so many resources available to people that they'd have the same feel as, Silicon Valley for starting companies. But they absolutely don't. It's just a totally different thing. Silicon Valley dominates the landscape for that sort of support at every size and talent that is wanting. Every size of company and its growth path.

Scott Sambucci: Yeah, thanks for that insight. I'm always curious to hear people's perspective. And it's clear to me that you do have to spend a lot of time thinking about it. I hadn't thought about it in that, in terms of the [inaudible 00:08:50] there. And how it is quite different [crosstalk 00:08:53]

Paul Rush: Yeah. A lot of people are leaving Silicon Valley areas for places that are outside, you get more access to nature's more of a chill environment, different perspectives, at Seattle certainly is a really wonderful place.

Scott Sambucci: Cool. Let's take it a little bit to, maybe a lot that into kind of the core topic we once talk about which is, as a founder, as an entrepreneur, you're always are a sales person. And the way I think I wanted to maybe kick off as part of the conversation Paul, is, you started this company 12 years ago as the founder. Was there a moment where a light bulb went off for you? Where you said, you may have said like, "I want to do great design, I want to build great products". But was there a kind of a seminal moment, or a trigger, or a light bulb that goes like, "Oh, but if I want to do those things, I have to do really good at sales". Or is it something that for you was more in it?

Paul Rush: Interesting question. I think there've been many light bulb moments over the course of the time that I've been starting businesses. [inaudible 00:10:01] the third company that I've started. Let's see if there's a couple that come to mind. I think it's really about, I've always wanted to start businesses and I think people get lots in lots of details when you're thinking about starting a business that aren't necessarily a what business actually is, until you are there. Until you're sort of forced in thinking about how do I actually make this thing work? I think people get [crosstalk 00:10:29].

Scott Sambucci: Like what? Yeah, what are some things that people get lost in?

Paul Rush: People want to build a product. They get really in love with an idea for a product. But... or they get in love with the idea of like getting together with a group of people and working on something hard together. Some of the [inaudible 00:10:48] romantic imagery of people staying up all night working on something that they're super passionate about. Is all really great stuff. But, it needs to operate on the system that we're in and the system that we're in requires money to becoming into the business and going out as a necessary piece of it. And, really any business breaks down at some point into component pieces that sales drives. So sales is the thing that wraps around everything. And, you can't have a business without selling.

Paul Rush: There's many famous quotes about this that, everything starts with a sale. So, I think maybe every young entrepreneur goes through this where they realize, "Oh my God, we actually have to make money". Otherwise, we can't be a business where something else, we're like a club or just an experimental group or whatever. And, that's probably great stuff too. But, the process of making money is super fascinating and building a system that's reliable for it is a really cool design problem. And, something that I think is, noble because it actually provides some great value for the people in it. And provide the self sustaining function for building products and making ideas real. So, I mean the first time that hit me was in the first company that I set up. And I was wondering kind of why we weren't getting business by just sitting in my house and telling my friends that I was doing this thing.

Paul Rush: You realize pretty quickly that, this is sort of a metaphor that I use a lot when I'm talking to people in sales or getting off the ground but entrepreneurship that, you actually have to leave your house. You have to get out there and you have to start talking to people. And you know, I think a lot of what we do, it's very easy, particularly with a lot of the digital technology that we have, to think that you can just interact with the world through the mediums but face to face and talking to people and really proactively getting out there is super, super important. So, that might be the first like big light bulb moment is that leaving your house and talking to people. It's really important. And I don't know if that sounds too basic, but it-

Scott Sambucci: No, it's... I think the suggestion "Leave your house", it's a keen on the product side from a main start up point of view. Steve Blank talks about getting out of the building, You can design a product you think looks great and until you put it in front of users, you're never going to know. And I think that the metaphor "holds from a sales process standpoint" or "from a selling standpoint". People are just not going to come flock to your product. You have to go out there and evangelize. And so, I was imagining as you were saying, you started this company and you're telling your friends about it. I'm sort of imagining you sitting at a kitchen table. Was there something or it's just like all the bills came due or, are you just realize, "Okay, we have been at this for a couple of months and, we don't produce any revenue. If I don't produce revenue enough to go back and get a day job", or is there something you're like, "Okay, today's the day I'm going to get off my ass and leave my house and start talking to people".

Paul Rush: Yeah. I always feel like-

Scott Sambucci: [inaudible 00:13:59]

Paul Rush: No, I mean, that's pretty close to it. People's first companies should be a... I'm a big fan of bootstrapping. For many, many reasons. But, starting a company with not much of a runway is a great way to make sure that you actually take action. It's so easy to burn and you see this so many times. It's so easy to burn capital while you're in the ideation phase and hang out there for too long. Be kind of scared of launching products, getting things out into the wild because... then your ego is at risk for hearing that maybe people don't like it or whatever. But that's actually the stuff that's super important to get out of as fast as possible.

Paul Rush: Until when you start actually seeing your runway disappearing in front of you, you're really motivated to go out and start crossing that big first mental bridge in entrepreneurship and fail. Which is, I really got to close the deal here. I gotta prove to myself that this is something that could work and that makes you do the right things. The classic thing in the valley where companies will raise like

\$20 million, spend 18 million of it doing something, and then they have \$2 million left going, "holy crap". We have to actually have a product now.

Scott Sambucci: Yeah. And I think even if it's not 20 million, if it's 2 million. I mean, there's some pretty good angel funding and seed funding out there, where we run into teams all the time where it got the basis of a team, they got a decent product. They've got some core funding and this is sense of, "Okay, now what now what? Now, what do we do"? And so, I think from like thinking about founders that, founders and selling, just to simplify. I sort of think about them in three categories. So, there's the founders that known they have to sell, and even if they don't like it or even if they're scared of it, they just know they have to go out and do it. So, I had that experience when I was at [inaudible 00:15:52]. The CEO [inaudible 00:15:55] I'm sorry if he's still there as the CEO and he just learned that he had to sell. And so, he was technical button, he would get on airplanes and he would go out and talk to people and it was just like park, working as partners that sales.

Scott Sambucci: Then you have sit on the other end, when you run into some of these folks where it's just like, well, I have this product and, I'm looking to hire somebody to do the selling for me. I'm looking for somebody to figure out how to sell my thing, and I feel like there's no amount an explanation to those people that are ever going to get them to realize that, "No, you have to sell". But then you have the people in the middle, and maybe this is where best advice is that you... "We could talk her now". Which is like, founders they say, "Okay, I get it. I know I need to sell but, I don't know what to do, or I'm really scared, or I'm really like I have this fear of rejection, or I'm not quite sure how to even go about it". And so, for those people on the middle, what are a couple of key things that really helped you specifically about your own experience that got you from the kitchen table to leave your house that got you from, "Okay, I've gotten this company" versus now it's actually a real enterprise.

Paul Rush: Yeah. That a really interesting question. How do you... So you're asking like how do you get yourself to move? How do you get yourself started on the path? Yeah.

Scott Sambucci: Like, I know, now, I need to leave the house. I'm sitting at the kitchen table and, I know I need to leave the house. But like, where do I go? What do I do? How do I get myself through this? Sometimes it's a fear factor, sort of chasm or I think I just got to get like. Was there anything specifically that like any kind of mental calisthenics or any models that you used that helped you get from sitting application table to actually leaving the house and talking to people?

Paul Rush: Yeah. Well, I mean, the thing that I've learned that I apply now when I'm thinking about these things, is that closing deals is the most important thing for business, period. So everything else that are doing is less important than that. Including building your product. So, this maybe a philosophical thing first. But,



the way I think about, starting some new product or enterprises that getting a customer is the most important part. And that should be your goal, not building a product, not shipping at or launching it because many, many, many businesses have been built successfully off of the seldom build models, where you go out and, you sell something. And selling can be many things, right?

Paul Rush: So, there's not just you close the contract or gotten a check, but it could also be getting some kind of agreement from a potential customer that they would use that or some kind of, the verbal, the verbal agreement that they're interested. So even those things give you proof that you're working in the right direction and that your pitch is landing. I mean I work in a world where I'm selling large enterprise deals. So it's a bit of a different world than people selling, a fast subscription service for \$10 a month. But even then, there's lots of tools and techniques you can use to set yourself up so that you've got a webpage or landing page where people are putting in their credit card number for you to launch your service and then you have a positive that you're actually moving in the right direction. And I think selling is that sort of canary in the coal mine. It's the first thing that tells you whether you're on to something or not.

Paul Rush: And so, this isn't really like how to psych yourself up. It's more of a how do you set priorities as an organization that selling is the first thing. The enabling thing that everything comes after that. And, it's not that product development on all the other operational pieces of business aren't important. They're all vitally important. It's just there's an order of operations and the sales, is the first thing that really kicks business into gear. I mean, there's a couple of other thoughts there, but I mean, does that resonate with you? What do you, what do you think about that?

Scott Sambucci: Yeah, it does. And I'd love to hear more thoughts if you've got them. And then like you're talking about like everything starts with a sale. I remember that when I'm old enough to have listened to Zig Ziglar audio cassettes. It sounds like, maybe you know who Zig Ziglar's is. A lot of people nowadays-

Paul Rush: What a name?

Scott Sambucci: Yeah. And I used to drive around in between, I used to sell college textbooks in the late nineties. Just CD ROMs and [inaudible 00:20:21] sort of this new thing. So it was campus to campus, and then driving to campus, and sort of having literally these cassettes that I'd pop in and listened to Zig Ziglar. And, one of his mantras is always, "Everything starts with a sale". Because, you can't manufacture the pencil and the people that manufacture the pencils don't have jobs. Nothing happens downstream until a sale happens. So when we talked getting, getting a customer's the most important outcome or sending sales as a priority.

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Scott Sambucci: I think a lot of it is just mindset and saying like sale is not the afterthought on a Friday afternoon, if they get around to it. Or let me get around to it. No, that's the thing that comes first, and then I build product and engineering and hiring, and everything else around it. So your first ideas there reminded me of those old Zig Ziglar's tapes.

Paul Rush: Yeah. Thank you for that.

Scott Sambucci: It brought me back to almost 20, 25 years ago. But what have said you had maybe some additional thoughts?

Paul Rush: Yeah.

Scott Sambucci: [crosstalk 00:21:23] really nice.

Paul Rush: There's, sort of philosophical framework that I'm trying to use and, I'm writing about right now. That I think applies to everything in life including this, but I think it's super powerful. And it to me that I was aware of before I'd heard this guy is speaking about it but Daniel Kahneman, the famous economist and author, "Thinking Fast and Slow", which is really interesting and intense book. He has this the statement which, other people have said, and I said, and it's kind of, a design principle that I really like. Which is, "Make it easy to do the right thing". And, I think that is something that is so powerful that we should be applying as everything from government to personal lives and to everything else. But it certainly applies to sales and business too. So make it easy to do the right thing.

Paul Rush: The idea behind it is, design systems, design your life, designed the way you work, so that the things that you need to get done are easy to do. So if you live, in a place that's close to a gym, and you signed up to that gym as opposed to a gym that takes 30 minutes to get to, your chances of going to the gym are vastly greater. And, there is many things like this. That you can sort of set up. So that's like a... an easy one for a lot of people to understand. You see if your gym is downstairs from where you live, it will be easier for you to go. And, for sales thinking about this, putting sales first thing. I think a lot of entrepreneurs don't want to make the cold call. They don't want to like, send the email that they need to send or try to get a meeting with people doing whatever kind of outreach they need to do.

Paul Rush: And we have a... As I understand that we have a certain amount of willpower reserve and that can go down over the course of a day. So there's the principle of "eat the frog", which is, do the hardest thing first. If you can set up your life where you get into a habit, which I think the right habits can be super powerful. Of waking up and before you do anything at work, before it probably even check social media or, just browse around Reddit or whatever it is that you do, that's

not work that's so easy to do. You just go ahead and do, a half hour to an hour of the hardest thing that you need to do that day. The chances of you getting to the hardest thing go up dramatically. And that's a sort of systemic approach to whatever it is that you need to do. And usually those things are making writing some of those carefully worded emails to try to get to a client or picking up the phone or something similar to that. So, maybe that's another small thought.

Scott Sambucci: Yeah, I like that for a lot of reasons. Just to unpack it. I'm familiar with Daniel Kahneman's work both because you mentioned it and, I studied some of this stuff when I was studying. I had an economics degree, so I'm familiar with it from that standpoint. And, even further, when I think about even myself, one of the things I'd like to do is writing and if I don't start writing first thing in the morning before open up to do this other stuff then, my blog posts don't get written. And so, that's one way I just keep that stuff off until it's time to do that writing. Now, to further that, what I would say is, when you say, "Look, if I've got to do an hour selling every day" then even further, what I would say is like, don't wake up and think, "Okay, now who am I going to call today?" or "Who am I going to email today"?

Scott Sambucci: Like you said, make it easy to do the right thing. Like hiring virtual, something as basic as like hiring virtual assistants to do all the research for you, to have that call list. So that, when you need to do those 10 calls, you just open up the spreadsheet and "Voila", all the data is there. Because you do the willpower, does go away and the time flies away and every minute that you're spending researching stuff is spread as opposed to making phone calls as an opportunity cost at times. So, I think there's like that the system approach that you're talking about, like designing a system that makes it easy to do these hard things that you know you need to do. I think a lot of it is just a matter of just getting to be deliberate about it.

Paul Rush: Yeah, I totally agree. It's so easy to sort of let life go and follow where it goes, but you get a lot more power and a lot more momentum if you design how you are going to attack your problems. And obviously you can't think about that forever. You have to actually attack the problem. People get caught up there too. But, living on purpose by design I think is super powerful. You don't want to just pick a goal and then just do random things to try to get there. It makes sense to be systematic and deliberate. So, I thoroughly agree and there's a lot of ways you can set yourself up for success, which is another thing I'm trying to build into my life now as well. Things I think I did the whole time, but I'm trying to be more deliberate about it and increasing amount of deliberate like with all these things.

Paul Rush: There's the "Goldilocks Rule" which is, basically challenging yourself at the right level. That people perform and are engaged most when you find that, this is like, "the flow state theory" where if you find things that are at the right level of

challenging, if it's too challenging, it's frustrating. You don't make progress, it's hard to see results. If it's too easy, you get bored. So it's that zone of optimal challenge. And I don't know exactly how you apply that to sales. Maybe, there's interesting ways you can think of. But, when you're going out there and you're learning to like play an instrument, you don't want to be starting off with pieces that are impossible. And you don't want to sit there and do scales all day. You want to find things that are at your level. And I think probably, things apply the same way to, when you're training for a race or whatever, you can't go too hard, too fast.

Paul Rush: You want to like ratchet up your involvement and these systems. I think there's a game design that people are thinking about along these lines. How to maximally engage people and keep them at the right level. But you can set that up for yourself too. To make sure that you're not staying in a comfort zone, and make sure that you're not trying things too hard. So, if you're writing a piece and you want to publish a piece, try writing short pieces at first. If you're not used to writing because that's easier to finish and feel accomplished. As opposed to thinking, I'm going to write one piece tomorrow. That is a pretty good idea or a good way to make yourself feel pretty miserable, really fast and be very discouraged.

Scott Sambucci: Yeah. I'm going to sit down and write the great American novel. I've always wanted to write a novel, but if you've never even sat down and done like a thousand word blog posts, then maybe should just sit down and just get a regular writing schedule and write 500 words a day, even if it's stuff he never published. Just to get into that habit so that eventually when you do need to write a 50,000 word novel, it's not as difficult. But [crosstalk 00:28:49]. Go ahead.

Paul Rush: No. It just amazing how many people do that. Right? And, when we were younger, we get so unarmored with the idea that, "I'm going to write the great American novel" or the great whatever country you're in, novel. And that's, that's a great aspiration. But that's not a great way to approach accomplishing a goal. Because, you're going after, you're eating the whole pizza at once as opposed to having a slice of it. There's a lot you can do to build your way up to that. Just agreeing with you.

Scott Sambucci: Yeah. Well, I think from a selling standpoint, just some thoughts that come to mind for me, Paul is, this idea of the right level. So like we see this with startups. Like you mentioned that your company, you've sold to Mercedes and Google and some of the largest companies in the world. But that wasn't your first customer. You didn't start off [crosstalk 00:29:42] or we are going to sell to Citibank today and that's going to be customer number one. And I think, as an entrepreneur you have to temper some of the vision that you've got for where the company can go with where it is right now. And so, you are starting off with,

if there's any... in my world I spent a lot of time selling your banks and lenders. And so, in the early days, we started selling to smaller, and we just having conversations with smaller banks where the risk of lower.

Scott Sambucci: And we could use that as a learning opportunity so that, when we did get in front of chase down the road, it wasn't the first time we uttered the words around the pitch or utter the words around the product demo. And additionally, so that's just thinking from a customer standpoint, but then also thinking about like, who are you reaching? So if you're sitting there and day one, as a founder and you're saying like, "Man, I hate to do cold calling. It's really hard to do cold calling I've never done it before". Well, maybe before you start cold calling, why don't you just sit down and make a list of people from LinkedIn that you know and start talking to them about your product. And then expand and get a referral or an intro to somebody else. Kind of start with that colonel where you're really comfortable.

Scott Sambucci: If it's still challenging because you have to talk about your product and try and sell it. And maybe the sale in that case is just getting an intro to somebody else, versus trying to sell to Citi bank out of the gate. So, I think the [inaudible 00:31:05] zones, I can almost imagine like somebody drawing concentric circles on a piece of paper and saying, "Okay, like my most comfortable zone is in the middle, what's the next zone out from there?" to the point where maybe five or six hours later you get to the pure cold call. So that you're building up that muscle and, getting comfortable enough in that next zone and then as soon as you get comfortable, it's time to take the lead to the next-

Paul Rush: Oh, that's great. No, that's totally great. I think it seems like reducing the number of variables in the equation that you're dealing with. You've got the degree of how much you know a person, is one of those. And then another one is how confident are you selling a product that you're very early with? And so, if you just started working with people that you know, well, that makes it way, way easier to call them up. I mean, these are people who are happy to take your call as opposed to people who are super skeptical about why you're calling them. And, thinking about that as how to reduce you reduce the number of valuable variables you're working on at the same time, so that you can practice one at a time. I think it is, super effective for getting these things off the ground.

Scott Sambucci: Yeah, and I also, I'd love to hear more about your experience as you were ramping up sales in any of your companies. I think a lot of times there's this preconceived notion like, "okay, what is selling?" Oh selling is sending a cold email blast out to a thousand customers for [inaudible 00:32:28] setting up a booth in [inaudible 00:32:29]. And then we'll just sort of like hope that more of those people come through. While, all of those may be environments that are uncomfortable to somebody who's never sold before.

Scott Sambucci: And so, if you peel back and get and start with a list of people you already know or, people that are you're connected to from business school or whatever that is. You might actually find out you don't even need to do those other things because at the earliest stages, like you only need to get 10 customers. You only need to get to a million in revenue, at the earliest stages. So, maybe you just find that those customers in that revenue just from the inner circles versus having to go too far out from that sort of core zone. There might actually be a side benefit that you're actually setting the game up for yourself to be too difficult if you dive into those outer zones versus starting with the inner zones, where are you most comfortable?

Paul Rush: Yeah, and I'm sure that everybody maybe here, knows that the term friendly is, and warm introductions as opposed to cold introductions. But there's lots of ways you can get people who... the trust kind of transfers through the person you're getting the introduction from. And so if it's someone that you know well, if you can start with your inner circle or people you know well and then try to get those people to introduce you to people who are people that they know. And they're much more likely to be open and receptive to talking to you. When you're coming from someone that they know.

Paul Rush: Another great thing, I think about a lot and, I try to teach people in and around selling and, we should come back to this topic of "what is selling" because that's a super fascinating topic too. But when you're thinking about approaching people, I think curiosity is like probably one of the best things, best approaches you can take. And just being really curious to hear what people have to say and not making it about what you're selling. But, giving them a prompt to talk about what they need in relation to what you're selling. And, being deeply curious and fascinated about their problem set, remembering it is about them. And, one approach I use a lot is that I actually tell people I'm not selling at all. I'm just actually looking for feedback.

Paul Rush: And, when you ask people for help, which basically is what feedback is or any kind of help, you're engaging this sort of reciprocity thing where you're putting them on a position of top of power and value. And saying, I can really benefit from your help and that makes them feel important and good and, people want to feel important and good. So it's easy to be able to get on the phone and say, "Hey, you've got a great perspective about this". I'm looking to start a product in this space or whatever and, I'd love to hear what you have to say about it. And, that winds up often being very valuable for the feedback and, sets the stage for selling in a way that is much more about the person moving towards you. As opposed to you pulling the person to you. If that makes sense.

Scott Sambucci: I think it makes a lot of sense. Because, it also in a lot of ways, it disarms the person you're speaking with a little bit, in that, if you approach them as a

salesperson and say, "Hey, I've got this product and do you want to learn more about it?" Then they immediately put up the armor. "Yup". And say, "Okay, well now, okay, I might be willing to have a conversation with you. I may not be, if I am, I'm still going to do it with a certain amount of, of guard. I'm not going to reveal for you what my real problem is because I don't trust you or I'm afraid that you're going to try to pitch me".

Scott Sambucci: And so this idea of curiosity, it reminds me, just yesterday I was on a coaching call with a client who's setting up a booth at a conference, and he is a founder. He can't make it but, he does most of the selling himself. So his two co-founders are going, and they're just like, don't even bother or move from doing the selling every day. And so we're just trying to come up with some strategies of how to engage people in the booth. And because it's like, "Okay, I'm going to trade show and here's the product, do you want to see it?" And, it turns out that the problem they solve is about testing arsenic in water supply. And, even further turns out, there's kind of two basic tests that need to happen, but it turns out most people don't do the second test. Even though they know they should, or they just simply don't know that they should. And so if you test for one way, but not the other, you actually not going to get it complete test. It's just the core of it.

Scott Sambucci: So I said, well, that's actually the question you should ask people. When they come to the booth, like, "Hey, I was curious to know when you're testing for arsenic, do you use both of these tests are just one?" It's not a sales question. It's assessing their knowledge is assessing whether or, not they have this problem. Because their products pass through the second thing that most people don't know about, or they don't do it because it's really hard or they don't know how. And so just by simply asking that question from a curiosity standpoint, it's an innocuous question. It's more of an intellectual question that gets people talking about, what their processes with testing arsenic in the water supply. Which can then eventually obviously lead to uncovering a problem that you can solve with the product.

Scott Sambucci: But it's all based on curiosity, not, "Hey, are you testing for arsenic or do you want to see how we test for arsenic in your water?" And I think the more that you can develop these types of questions around your sales process, whether you're a salesperson or a founder, I think it just disarms people. And it also just creates a whole different level of conversation that you had versus what-

Paul Rush: Yeah, totally. If you approach things as a salesperson, you are setting up roles where you have a salesperson and a customer and then people play out those roles the way that they think those roles exist in the world. You're sort of setting yourself up and that wouldn't happen in anything in the world. If you're a person at a restaurant ordering food, then you've got a server at a customer relationship. But, if you approach it as, literally or embodying the, I guess maybe

figuratively embodying the role of a... Is it literally or figuratively? Is it a conceptual thing? I don't know which one.

Paul Rush: I guess you'll be embodying the role of a curious observer or a researcher or a friend or whatever else and you, that's the frame of mind you're in. Then that role, that traditional relationship doesn't get triggered and you don't wind up in the, in the pitfalls of like, this person's trying to sell me something. It's more like, "Hey, we're having a conversation about the thing and I'm curious and I want your help than I, to see, you should know this regardless of whatever you're doing. Here's some interesting information, whatever."

Scott Sambucci: Yeah. I, mentioned the textbook selling I used to do and one of the things they taught us at when I was at Prentice Hall was just simply ask people how do they teach the course and what's the most difficult topic that they tend to cover in that course? So if you're teaching economics, or sociology or accounting there is usually a couple of chapters or a couple of topics are just really tough for students to get. And so, by asking that question then, if it's cost accounting, they might come up with, "Okay, well usually right around mid-semester when we cover such and such topic, it gets really hard for students. They kind of track it until then end, and then get a bunch of students that fall off the cliff. And they fail in the term." Okay, cool. Well, "Do you mind if we just take a look at how our book covers that particular topic?"

Scott Sambucci: And then you just reach down off the shelf, you pull off the copy that you sent to him and just open the book to that chapter. And the real trick here is when you're in a professor's office, there's the desk and they're on one side and you're on the other. And the trick here is to pull the book off the shelf, put it in front of them and remain standing and walk to their side of the desk. So you're standing side by side. I'm looking at the book together. So it just immediate crisis, psychological partnership. I'm on that side of the table with you investigating this problem as opposed to trying to pitch you on why you should use our copy of training book.

Paul Rush: Yeah. That's real stuff. I mean, if you can embody a framework of being on the same team with the people that you're with, what does that really mean? If you were really on their team, if you worked out their company, if you were working with them on their problems, like you'd be considering what the biggest problems are, where your risks are, what you're scared about, and you'd actually be addressing those things. So I think it's like, that's tough but it winds up being super powerful for sure.

Scott Sambucci: Can you think of, based on some of the companies that you sold to, we talked about some of the largest companies in the world that you've partnered with. Can you think of a specific situation where it was just really clear that you were able to position yourself as that partner even before they signed the contract? I



mean, you're sitting there, I'm sure in a lot of cases when you're doing software development and design, and there's months that go into specking out a project and putting together a proposal even more than that contract is signed. So, maybe if you could think of an example, I think it would be really useful as an illustration of some of the folks who are listening.

Paul Rush: So, the thing about where I am right now, is that my world is really about developing relationships with the early stage and then bringing them into my sales team to sell. So, I haven't actually been in the closing part of the sales process for years [crosstalk 00:41:46] story is from the beginning. That part of it.

Scott Sambucci: Oh yeah, that's like what you're doing right now, would be... I think even more valuable because you've got to get that counterpart to trust you enough to engage in a conversation to engage with you and get them to share their problems so that they feel comfortable enough being handed over to a sale team.

Paul Rush: Yeah. And Trust is another interesting thing to talk about in terms of, how do you build trust? That's another whole area. Okay. What question are we talking about? Like building early stages. How do we-

Scott Sambucci: Yeah. Because, if I'm a founder of a company, whether it's designed like you do or, software or, manufacturing. It doesn't really matter. If I'm out there and I'm the best salesperson, you're kind of building of our previous part of our conversation. I know I need to go out there. I know I need to sell. The selling shouldn't feel like selling. They're selling should feel like a curious or intellectual conversation. And so if I can get myself in that position, what are some of the things that you tend to do, you find works really well? To get that trust. Starting to build, to get to the point where they're selling doesn't feel like selling so that I'm still in this comfort zone. [inaudible 00:43:01] actual. Is there any kind of frameworks that you use or, anything that you do when you're talking to Genentech or T-Mobile or any other companies you've worked with?

Paul Rush: Yeah, I mean, I think this idea of establishing rapport works on a lot of levels that goes pretty deep. [inaudible 00:43:24] or that or thinking about trust in a broader sense. Okay. So one thing I'll say is that imagine that, if you're thinking about what selling is, making your pitch and closing a deal is probably what people think of when they think of selling. And, to me that would be like looking at the tip of the iceberg without considering the rest of the everything else that's underneath it and, how much bigger that is. Because it's a very, I mean, it gets into like an art of war kind of scenario, which is if you're thinking about that in that metaphorical context, you want to set your battles up for success before you've even fought them. So by the time you're making your pitch, you have as much behind you. The winds are in your favor as the pitch is happening.

Paul Rush: And all of that was done way ahead of time. So, if you're in a war, I think the best way to become a good salesperson, no matter what kind of person you are. There are people who I think are sales people who are very good at just going after the abstract coal. I'm not one of those, I really need to be engaged in a landscape of what I'm selling or involved in. So number one I would say, are you in that mode? Because if you are really interested in the product service or, thing that you're selling, you're going to be able to do all of that early groundwork a lot more naturally if you care about it. If you're really interested in it. It's very easy to then go out and start meeting people who are in that world just to get to know the space and to be able to build those relationships.

Paul Rush: So getting in front of people without the context of selling at all and even thinking about selling because you're just curious and, you really liked this industry or, the space is that is the beginning of forming real trust. And that's where you actually just make friends with people in your industry. A lot of people in sales think of selling as prospects and, I'm going to sell the prospects but, can you actually establish some kind of friendship with your potential customers first? Because, everything from there just flows so much easier. That's the iceberg under the water. If you can be liked and trusted by the people that you're selling to, that's great. And you can't always be in that situation.

Paul Rush: So there's a degrees to which you can do that, but I think you can also condense that entire process to a short amount of time. Where, when you're first getting to know a person that you think might be interested, you think about it as developing a long term relationship. You think about it as developing a basis for trust as quickly as possible. And then you can break down what trust means for you. And a lot of cases that, being able to speak in an intelligent, way about their world, not your world, but their world. Being able to get back to them very quickly and be responsible with your activities. In the sort of early dealings.

Paul Rush: There was a third one, I was thinking of... I'll probably think about it in a second. Anyway, I just think about this, how do you rapidly build trust before you even pitch someone as being probably the biggest factor that would give you a chance of success. And, by actually understanding and knowing what their problems are. It's so easier to get on the phone and try to sell your products. But it's, actually more fun to get on the phone and try to understand where a problems are. You should want to walk away sometimes as a sales person. Because, your product doesn't fit what they need. I don't know if that's answering the question, but there's, there's a lot there about building trust that I feel like it gets to how you make a sale happen before you even pitched.

Scott Sambucci: Well, I think it speaks a lot to the... There's a side of the sale that becomes very, very easy now. Like with marketing automation software or email automations or, sort of spray and pray. Where you can just set up a five point. A five step

email sequence that goes out every 10 days and you, sort of batch and blast and you're like, "Okay, I'm doing the selling dong mechanical and, it feels like selling." And what you're saying is, it's like the core opposite of that. Which is, getting to understand, empathizing with the market understanding the problem, learning about where people are coming from, establishing the relationships. Because, while that takes more time and it's more difficult to do. Like the thing about the cost benefit of that versus sending out a thousand batch and blast every day for a hundred days. You're probably going to get much better customers in relationships, and a much higher win rate down the road.

Scott Sambucci: And so, if you're an early stage company, you don't have to get to \$10 million in revenue next month. Usually it's just like we need to get the next customer. We need to go from 5K a MRR to 10K MRR. And then after, that from 10 to 15, and 15 to 20. And so, at the end of the year, we've gotten to half a million dollars in one way. So, is there anything like, if you think about your calendar, where you're spending your time. If you go back to the last 60 days or booked ahead to the next two months, or is there anything specific that you do? Do you sit down and picking up the phone? Or are you going to LinkedIn? Are you getting introductions? Are you going to conferences? How do you create these relationships and friendships that enable you to get into a sales conversation down the road? What's the Paul Rush Playbook for this?

Paul Rush: Yeah. I'm trying to figure out how much of all the things to talk about, in which things to talk about. Okay, so there's a couple of things to say. One is this, I don't know if what I'm saying really works for a certain stripe of companies. Because my business sells sort of larger contracts to very small group of individuals. And if you think about the sales process and how that applies, there's bands of price points that affects the emotional factors for selling. And if you're selling something that's, 50 cents, that's a very different emotional choice than if you're selling something that's \$500,000. And so, companies are different bands have to think very differently about how they're selling.

Paul Rush: If you're an enterprise sales, which I would probably say starts at like 50 to 75K somewhere around there maybe, you are selling to like a small audience of decision makers who are making decisions for lots of reasons that are potentially very big for them. Deals with their promotions or jobs where they're going, what's happening in their world. And so, that's one kind of sale. If you're selling a SAS product, that \$20 a month that gets to a more discretionary...And, I think you get to things like brand affinity and maybe some more practical things of how well you're demonstrating the product value up front. So they're just, they're very different things to be thinking about. In my world-

Scott Sambucci: Yeah, let's take the enterprise sale cause there's lots of folks that we work with in our coaching program and people that I interact with every day. They're

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selling 50, 100. Talked to a guy yesterday, he just sold a \$350,000 deal and it's start off. It's like customer number 12. So-

Paul Rush: That's great.

Scott Sambucci: I think there are folks that are in this same kind of world that you're in, and even though they selling design services, it's still 200K contract. Right?

Paul Rush: Yeah.

Scott Sambucci: That's why I'm curious about your [crosstalk 00:51:15].

Paul Rush: Yeah. In our world, I think it's really important and useful to really be fascinated by people. Either, you can tell you that you love human beings or, you are really fascinated by them. Both pretty much work. Because, you're going to be spending time with people to develop relationships. There's a lot to say about relationship development but, the sort of playbook that I use is, to spend as much time with people that I feel like are in my buyer categories or related categories as possible. And, I have lots of ways that I do that. The first thing to do, which I think people skip over and had been really value unlocking for us when we do this. Is to figure out who your buyers are. A lot of people skip this and just try to go for what they seem it allows you to focus and, find the right people. Often there's a bunch of people called them buying personas and, there's probably different ways to describe this but, often you'd have a handful of them.

Paul Rush: And, I think a typical advice that you don't want to have more than three, maybe four at the most. You probably would know better Scott than I do. But, identifying those so that you can narrow down who you want to spend your time with and then finding ways to spend time with them. And that could probably vary from industry to industry. What I do is, I just take people out for dinner constantly. I'm actually thinking about launching a couple of different kinds of conference series and, I'm doing this because I actually really want to do conferences and I really like hanging out with a better people in my industry. A lot of people become, some of my best friends and, that just, it's a positive benefit that it winds up building work from time to time. But, that's not the intent of it.

Paul Rush: The intent is actually because I want to develop these relationships. So I just spend as much time as I can handle being out with people, in groups and one on one, to develop relationships and make it really about the sort of value I can provide giving these people an opportunity meet each other. So, I do dinners all the time and I'm doing now, I've done several weekend retreats with people and, all of these are great ways to jumpstart the process. But it has to come from somewhere that's genuine. You can't have it be about your work. It has to be

about something else. So that's the sort of like edge areas. Does that make sense?

Scott Sambucci: It makes it makes a lot of sense because I think that's where, the way I've described it to, like a lot of founders that come to me and they're asking for help and I look at their sales process. We just kind of unpack it. And they're like, "Okay, here's our sales funnel and here's our tech stack and these are the emails or sending, and these are demo rate and our conversion rates and all that stuff". And what they forget is that, as a founder of a company, you started your company because you saw a problem in the marketplace that nobody else is solving, or they weren't solving it the right way. And so you had this idea and you're like, I'm gonna change this. I'm going to solve this problem. I'm going to make an impact in my business.

Scott Sambucci: And so, in a lot of ways, you are setting yourself up as the leader of a new crusade. And your job is to almost like rally the market and, rally the people. And in this case, the buyer personas that you most want to effect. And get them to understand, like to get them to talk to each other, get them to communicate, get them to talk about the problem. And then the sale, like you said, that's where you build the trust. That's where you build the relationship and then, the sale is easy down the road. And the mechanical part of the sale where I'm just like clicks send, clicks send, click send. Demo, demo, demo. That's easy to do but it's not effective. What you're describing is actually kind of hard because it requires you to go out and create events or requires you to go out and create community, for longterm benefit though, is really popular and really huge.

Scott Sambucci: I mean that's why you see user conferences. I went to one from a company called Outreach back in March of this year, and there was about a thousand people there. They were just fanatical. About, sales development. Because, that's what this company solves. And they created a community around it. And you see it was Dreamforce, Gainsight, Customer [crosstalk 00:55:42] and you pair that all the way down. You mentioned dinners and smaller events. There's a book called Mastermind Dinners by a guy named Jayson Gagnard. J-A-Y-S-O-N Gagnard. And, he basically built his entire company, and build this whole business around doing exactly what you just described, which is getting together groups of four, six like minded people and organizing that, getting together, talking about stuff and his relationships developed helped him a lot to really built launch his entire, not even just a company, a whole movement of idea exchange. And it all comes from the fact that he spent time and effort focusing on relationships versus just like batch and blast.

Paul Rush: Yeah. And I'm going to check that book out because I think there's a lot of overlap there and I hadn't heard of it. I always wonder what I'm thinking about. But, I really think that, authenticity can't be emphasized enough in these things. Whatever you do, to try to spend time with people, it has to be authentic for a

couple reasons. One is you're not going to want to do it if it's not something that's something that you're really interested in, in the long term. And that actually, is huge. And two, people will see it. They'll know that you're, that you're doing something that you think is really valuable. I'm actually thinking about my next business being around bringing people together in the real world. I think there's an interesting moment for relationships and relationship development in the world where all the technology that we built, and social media and sort of Internet are these medium that actually don't give us what we really need is that human beings, sort of evolutionary biological creatures that we need to be face to face with people.

Paul Rush: We need to be seeing their facial reaction to what we're saying, to be able to really feel like we can connect with them. And all of this sort of, the Facebook and Instagram movements are pulling us away from that. It's a feeling of being connected without actually being connected to people. And that's why I think you're seeing a rise in attendance and conferences, why lots of businesses are doing them, but also people are doing it for fun. Why things like Coachella and Bernie Man and private member houses, phenomenon attendance, texting to parks is going up, which is interesting. People want to do things in real life. And I think that's going to be a continual growing need. And so, I'm right there. I feel that, I want that bringing people together for dinner is something that I want to do because I think that to me, it's beautiful a very powerful for people connecting. And people enjoy it and they get to meet each other, and it's, but if something that I care about.

Paul Rush: So, if you're going to do something similar, make sure it's something that you care about. Find something that you care about that helps you build the relationships that you need for your business. This happens to be what I like. But for , anybody who's listening, they may find something else that is that is deeply connected to who they are. Yeah. I don't know. That authenticity is something that I feel like if you see sales and movies and it feels so you know, I don't,... smarty, disconnected, salesy. That the reason why that word has a negative connotation. But the reality is, when you're doing something from your heart, you're lining up sort of powerful momentum to make things happen. So, I always look for that. I always look for that in people I'm hiring and people that, I want to spend time with is how authentic are they? Are they being... and it's okay if you don't know right away what it is that's your thing but, try things, find something that feels right for you. Something you can invest in. Just leave the house. For the right reason, get out of the house.

Scott Sambucci: Yeah. I love that idea. I think that it's a really great place to call it a day. I know that you found a little bit over the time he had allocated and I really, really appreciate your time and kind of sharing your perspective. As I mentioned you the founder of Substantial Image, and you also mentioned two other companies that you started. So you've been at this a couple of times and it's, I mean, clearly

you've spent a lot of time from a design standpoint applying the design systems, thinking into sales and what can we do to make things more human on the sales side of things. And in particular, I like the advice around making it easy to do the right thing and setting yourself up for success because these are just kind of basic principles. I think all of us get into the day to day cloud of dust that happens. You wake up on Monday and all the time it's Friday afternoon. And we didn't really do all the things we wanted to do or needed to do. That ain't just taking a step back and just kind of thinking about it. And understand like getting used to it, getting into costume, getting a customer's the most important-

Paul Rush: Yeah, absolutely. If you need to wake up and be reactive to the world, but it's, you got a lot more out when you can be proactive and think about how you want to design your life and, you're in your, how you're spending your time. And entrepreneurship overall, it's just like one of the most fascinating things you can do in the world. It's amazing what we can do by just assembling some ideas in a few people. You can, create new products and services. You can get people to do new things, change their behavior. I mean it's really, it's the world changing. Uh, the thing right now in the modern world. So it's, I want as many people to get out there and learn how to start businesses and part of that's a big part of that selling. it's great that you're doing this. I love that you're helping people with the super crucial part of the entrepreneurial process.

Scott Sambucci: Thanks. I appreciate that a lot. Well, listen how can people get ahold of you if they want to follow up, learn more about you and your company, maybe come to one of your mastermind dinners that you're going to be putting together. What's the best place for them to get in touch?

Paul Rush: Yeah. I am not on social media very much, although I am @PaulRush on Instagram. That would be one way. I will be putting my new site up @paulrush.com that will be happening in the next two to six weeks depending on, you hear this. Do you want people to give out email addresses? Is that a common thing or is that?

Scott Sambucci: If you want to. Hey, you can give away your home address if you want people to stop by. It's your option.

Paul Rush: Yeah, [crosstalk 01:02:24]

Scott Sambucci: It happens. Just a disclaimer.

Paul Rush: Sure. My email address is paul@substantial.com if anyone wants to reach out to talk about anything more.

Scott Sambucci: That seems great. Listen Paul, I'm really, really glad that a mutual friend Jonathan put us together. I know it took a little bit of engineering to find the

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time, because you're busy, and you've got lots of stuff going on and I really appreciate your insights and the approach that you're taking and shared here. Because I think it's really valuable to take a step away from hammering away at all the mechanical things and all the tactical things, and just kind of think more deeply about what is it we're really trying to do here when we're running our company and starting a company. And getting customers and thinking about the systems, I think is really useful for people to take a step out of that every day.

Paul Rush: Well, thank you. I mean it's a pleasure to talk about these things. I love thinking and talking about these topics. So, [crosstalk 01:03:20].

Scott Sambucci: Look, keep me posted on your events, because if I do get up to Seattle from time to time, I'd love to be to-

Paul Rush: Yeah, sure. Come on up.

Scott Sambucci: [crosstalk 01:03:30] and share with the other people what I learned.

Paul Rush: Cool. All right men. Thank you!

Scott Sambucci: Thanks a lot, Paul. I'll talk to you soon. Yeah.